Testimony of David Miller

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before the

House Committee on Homeland Security Subcommittee on Emergency Preparedness, Science and Technology

The Need for Grant Reform and The Faster and Smarter Funding for First Responders Act of 2005

April 12, 2005 2:00 p.m. My name is David Miller and I am the Administrator of the Iowa Division of Homeland Security and Emergency Management. In Iowa, we have been involved in anti-terrorism activities since the first bombing of the World Trade Center and the bombing of the Murrah building in Oklahoma City. Ellen Gordon, my predecessor, served on the Gilmore Commission. After September 11th, our homeland security and emergency management responsibilities were joined together and – like my colleagues here today - I am now responsible for coordinating the statewide preparedness and response plans for any type of emergency within Iowa's borders, whether it be a flood, infectious animal disease, hazardous materials spill, or terrorist attack on the Iowa State Fair or our cyber infrastructure.

It is my great privilege to appear before you today to provide my perspective on the Department of Homeland Security's First Responder program and to share with you a few observations about how the program might be improved.

I would like to say from the outset that I think the Congress and the Department of Homeland Security (DHS) have done an exceptionally good job of responding to the events of September 11th by recognizing the deficiencies in our emergency preparedness capabilities and by organizing a nationwide effort to make sure that we are as prepared as we can possibly be to prevent an attack in the future and, were an emergency to occur, to move quickly to protect lives and our economic stability. Since September 11th, we have learned a great deal about our capabilities, our deficiencies, our needs, and our goals – as states, as regions, and as a country. This is an excellent time to pause and take stock of the First Responder program, to reassess our goals, and to make adjustments to the program where needed.

Let me offer a few principles and observations:

□ Congress must establish and fund clear, national goals for the security of our homeland based on a comprehensive analysis of all safety and economic risks.

The First Responder program has served as an important jumpstart for communities all across this country to take stock of their readiness and, in a relatively short amount of time, make needed and measurable investments in their emergency preparedness. Communities are better prepared for any emergency because of the investments that have been made, making this country safer for our citizens.

The original formula was logical given what we knew at the time: the primary grant program, the State Homeland Security Grant Program (SHSGP) was distributed in two segments, one to all states equally and the rest based on population. Over time, however, the First Responder program has changed measurably and our knowledge has improved considerably. Funding has become so diffuse that coordinated, rational, statewide and regional planning is severely hampered. As is natural in any political process, funding is often distributed to those that cry the loudest, rather than those in greatest need. As a result, funding has been funneled through numerous silos directed at specific stakeholders - firefighters, police, ports, cities - without an effective analysis of whether that investment is needed or will make the country safer.

Comment [11]: Not sure why, but I don't like "silos" and "stove-pipes" in the same sentence.

As an example, the American Enterprise Institute in their report, "What Does Homeland Security Spending Buy?" documented the growth of the Urban Areas Security Initiative (UASI) program. What began as a \$100 million grant to the seven highest profile, landmark cities grew in a matter of months to 30 – and later, 80 – cities at a cost of, now, \$1.2 billion¹. By this funding, we are presumably saying that an attack on Indianapolis or Columbus is more likely, would cause more devastation – and is in greater need of additional resources to prepare for – than an intentional introduction of foot-and-mouth disease in our cattle herd or an attack on our cyber infrastructure. But is it true?

Similarly, in FY05, Congress devoted \$715 million to upgrading firefighter equipment and training, \$30 million to Urban Search and Rescue, and \$10 million for Intercity Bus Security Grants.² Is this funding mix based on a complete assessment of our threats and risks? No.

A careful and comprehensive analysis of threat and risks to all sectors, with meaningful input from industry and state and local responders, must be the guide for the resources we commit as a nation to homeland security.

Let me just say that the level of input now allowed state and local responders is not adequate. Let me give you just one example. Last year's Intelligence Reform bill required DHS to develop a national strategy for transportation, including setting risk-based priorities, cost-effective means for addressing them and realistic deadlines for action. State and local transportation officials have had no input into – or even knowledge of – this process even though all states are responsible for the highways within their borders and many own and operate transit systems and airports.

Many want to shift the entire First Responder program to one based solely on threat/risk - <u>before</u> that analysis has been completed. A threat/risk formula done today, absent a much more comprehensive threat assessment, is just another name for funneling more money to the big cities because population density has become our short-hand for threat.

☐ Homeland Security must be undertaken as a systems approach.

Because the attack on September 11th was on two of our largest and most symbolic urban areas, it is natural for us to feel we must plan for a similar attack to occur again. However, in my opinion, the entire First Responder grant program is geared toward preparing us for what happened in the past, and not for what could occur in the future – and could be far more devastating to our nation.

Currently program emphasis is structured around the protection of "critical infrastructure". But critical infrastructure is consistently and persistently defined as things, a list of places to guard. (And, frankly, many of them don't seem that critical. In Iowa, the early list included a shopping mall that was yet to open and a water park that had closed.) So when we speak of agroterrorism, most federal policymakers think in terms of guarding places like food processing plants or

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¹ What Does Homeland Security Spending Buy?, by Veronique de Rugy, American Enterprise Institute for Public Policy Research, Updated April 1, 2005, p. 26.

² Department of Homeland Security Appropriations Act, 2005 (Public Law 108-334)

animal feedlots. Instead we mean an analysis of the weaknesses in the "farm to fork continuum" and the prevention of, and preparation for, a rapidly moving infectious disease in our animal population, for example, or an intentionally-introduced pathogen that devastates our crops.

With this focus on places so entrenched, there is little ability— and little funding — to prioritize the systems that are the foundation of our economy — cyber, energy, agriculture, transportation and others. And while there is growing, but relatively recent emphasis, on the regional or interstate cooperation needed to prevent or respond to an interruption or attack on these sectors, nearly no funding or guidance exists for those cooperative efforts.

A large scale agricultural disease outbreak, for instance, would have far reaching emotional and economic effects on all aspects of our society, both emotional and economic. If we were ever to have a presumptive positive test for foot-and-mouth disease on a hog leaving Iowa for slaughter in North Carolina, for instance, state agriculture secretaries, together with the USDA and Governors of the transit and neighboring states, would quarantine those animals and any with which they may have come in contact. Access to infected areas would be restricted to control the spread of disease. Entire communities would be affected. So while one feedlot or soybean field surely does not – and should not - fit the definition of "critical infrastructure", the hog or soybean industry surely should.

After all, it can be argued that if economic disruption and panic is what the foreign terrorists are after, an attack on our food supply, our power grid, or our computer or banking networks would be a far greater calamity. The attacks on the buildings in New York and Washington, D.C. affected us all. Think how much more we would be affected if one of the key systems undergirding our society were to fail.

☐ Agriculture must be fully integrated into our homeland security plans.

The agriculture sector is an important focus of our homeland security efforts in Iowa. This industry is crucial to the economy of our state and the welfare of its citizenry. Additionally, Iowa provides food to nations throughout the world. The consequences of a deliberate and widespread catastrophe within the agriculture sector would be immense for Iowa and the resulting impact would be global in nature. The GAO has reported that the direct costs of an outbreak of footand-mouth disease similar to what occurred in the United Kingdom could be as high as \$24 billion with the destruction of 13 million animals. They also reported a USDA calculation that a foot-and-mouth disease outbreak could spread to 25 states in as little as five days.³

Yet we have virtually ignored the risk of an agroterrorism event in our First Responder program. The Patriot Act makes no mention of agriculture and only passing reference to the need to protect the food supply⁴. Few people are aware that homeland security officials were actually *prohibited* from spending First Responder funding on agriculture's First Responders (state and private veterinarians and state agriculture departments) until Secretary Ridge stepped in to change that for the FY04 grant guidance.

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³ GAO-04-259T Bioterrorism: A Threat to Agriculture and the Food Supply

⁴ The USA Patriot Act of 2001. (Public Law 107-56)

Even with the availability of new funds, inclusion of agriculture initiatives in state emergency response plans is voluntary and the small sum of funding state agriculture departments were given after 9/11 is now gone. In addition, DHS' national plans include only an appendix on agriculture – and, as an aside, only occurred because Iowa officials were present at a meeting in Washington, D.C where the state assessments were being discussed. Absent these state officials' input, no assessment would have been undertaken of agriculture preparedness at the state level at all.

As a result of this haphazard approach to agriculture, we simply do not have a clear, analytical assessment of the vulnerabilities in our agriculture sector nor can it be said that we have a national comprehensive plan in place for preventing or responding to a widespread animal or plant emergency. It is completely understandable to me that Secretary Thompson's parting words were, "I, for the life of me, cannot understand why the terrorists have not...attacked our food supply because it is so easy to do." 5

Not everything, of course, comes down to money. But watching how the money flows is a good indication of priorities. So it is instructive to note that since 9/11, Congress has appropriated approximately \$10.8 billion to states and local governments for the urban-focused critical infrastructure programs⁶, but only \$50 million – or less than one-half of one percent - to help states detect, diagnose and respond to a foreign animal disease outbreak⁷. I am positive that a thorough risk/threat analysis is likely to conclude the relative risk is higher than one-half of one percent.

Two years ago, the Secretary of Agriculture in Iowa, Patty Judge, and my predecessor, Ellen Gordon, began the Multi-State Partnership for Security in Agriculture. The Partnership is an eleven-state consortium dedicated to addressing these critical issues in a systems approach to agriculture emergency response. The entire effort was funded from our own funds in Iowa. Then-Secretary Ridge understood the importance of this effort and granted the Partnership \$2 million in seed money to continue our work. With this funding the Partnership is in the process of coordinating response planning, training and exercises, as well as, creating risk communications materials, developing interstate communication protocols, and addressing disease surveillance. We think this kind of collaborative interstate, systems approach is extremely useful and provides a model not only for other agricultural states but other economic sectors as well.

☐ Homeland security should not be an unfunded mandate.

In Iowa, we have a particularly important responsibility to help protect the nation's food supply and farm economy. But we also have a responsibility to the other critical systems of the national economy that are under our control or within our borders. One could argue, for instance, that it

⁵ The Washington Post. Friday, December 3, 2004. (http://www.washingtonpost.com/wp-dyn/articles/A31377-2004Dec3.html)

⁶ Federal Funds Information for States.

⁷ USDA awarded \$43 million in grants to States from the FY2002 supplemental emergency bill, included in the Department of Defense Appropriations Act, 2002 (Public Law 107-117). An additional \$7 million in USDA discretionary grants were awarded in FY2003.

would be just as easy to mount an attack on our financial services sector from Iowa as it would be from Atlanta; just as easy to disrupt the power grid by attacking in the Midwest; and certainly just as easy to disrupt the food distribution system by introducing a foreign animal disease into a feedlot in Iowa rather than somewhere else. Yet our only source of federal funding to address these threats and risks, the State Homeland Security Grant Program, has been cut to fund the increasing UASI program⁸.

Yet, at the same time, we face increasing mandates from DHS - such as compliance with National Incident Management System (NIMS), the National Response Plan (NRP) and communications interoperability protocols – that require a base commitment in all states if our goal is a truly national plan.

Some have suggested Congress should cut funding to the smaller states altogether so we can concentrate our finite resources on our landmark cities.

Which leads us back to the issue of risk and threat - and the urgency we feel to restructure the First Responder program so that it rests squarely on a <u>comprehensive</u> analysis of our country's vulnerabilities and response capacities.

Thank you.

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⁸ In FY04, the State Homeland Security Grant Program (SHSGP) was funded at \$1.7 billion. In FY05, that dropped to \$1.1 billion. The President's FY06 budget requested \$1.02 billion, with 20% set-aside for the activities of the Law Enforcement Terrorism Prevention Grants which is proposed for elimination. In contrast, the Urban Areas Security Initiative did not exist as a separate stream of funding in FY04. In FY05, it was funded at \$1.2 billion, although only \$885 million of that went directly to cities; the rest was for other related programs, such as Port Security. The FY06 budget request includes \$1.02 billion for UASI. It also drops the base state grant from .75% to .25%, further disadvantaging lower population states.